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SUMMARY RECORD OF THE 3rd MEETING

Held at Headquarters, New York,
on Wednesday, 20 February 1991, at 10 a.m.

President:	Mr. PIRIZ-BALLON	(Uruguay)
later:	Mr. OKEYO	(Kenya)
later:	Mr. PIRIZ-BALLON	(Uruguay)

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The meeting was called to order at 10.25 a.m.

ADOPTION OF THE AGENDA

1. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished to adopt the agenda for the Special Session contained in DP/1991/L.2/Rev.1.

2. It was so decided.

ORGANIZATION OF WORK

3. The PRESIDENT said that, if he heard no objection, he would further take it that the Council wished to approve the proposed organization of work for the Special Session (DP/1991/L.2), on the understanding that it would be applied with necessary flexibility.

4. It was so decided.

PREPARATIONS FOR THE FIFTH PROGRAMMING CYCLE: SPECIAL PROGRAMME RESOURCES (DP/1991/5)

5. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation) said that Special Programme Resources would increase from 5 to 7 per cent of programmable resources in the fifth cycle, as an expression of the Governing Council's desire to bring new ideas into regular intercountry and country programmes and to strengthen the emphasis on the six programme themes of decision 90/34, paragraph 7. The SPR level would be sufficient to maintain and sometimes increase traditional use of those resources and, at the same time, provide an effective response to the call for building national capacity. Areas such as aid coordination, disaster mitigation, assistance to the Palestinian people and technical cooperation among developing countries would continue to receive an important share of those resources.

6. The six priority areas were discussed under the heading "thematic activities". The two basic qualifying criteria for SPR allocations for those activities were that SPR funds would be used for the development of new concepts and methods, and their "mainstreaming" during the cycle so that resources other than SPR would become involved in the six areas, ensuring that SPR allocations acted as seed funding for UNDP and other donor resource flows.

7. In order to better reflect priority areas in the many country programme reviews and new country programmes due to start after 1 January 1992, the Administrator had proposed that $10 million of fifth cycle earmarkings be released in advance of the new cycle to help interested countries orient their country programmes. He also urged a deliberate effort to increase joint programming among SPR, regional and global programmes.

(Mr. Edgren)

8. Two of the six focus areas, the Management Development Programme (MDP) and TCDC, had established patterns of operation, and guidelines for the other areas would be developed in the near future. Management arrangements would ensure that design, approval, execution, monitoring and reporting of SPR projects would be based on the same principles as projects funded under indicative planning figures (IPFs). Proposals would be even more carefully evaluated, in view of their experimental and pioneering character.

9. As a result of suggestions made by several delegations during the June 1990 Governing Council meeting, some changes in earmarkings had been made. Under disaster mitigation, $5 million had been transferred from reconstruction and rehabilitation to a new category, refugees and displaced persons. The Human Development Report had been continued for a fourth year, with some additional funding dedicated to country initiatives. In the area of poverty alleviation, it was felt that a separate allocation should be made for women in development activities. Since the projects were intended to reach poor women, the funding could be taken from the allocation already made. The Management Development Programme had been extremely well received, and its continuation was strongly supported. Therefore, $5 million had been added to mitigate the reduction in the current cycle. The Special Plan for Economic Cooperation in Central America (PEC) and the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) were closely associated with joint programming with other multi- and bilateral funding agencies, and as a result, had been entered under field coordination activities. The biggest change was reflected under new initiatives, showing an increase from $20 to $32 million, basically from unallocated funds. That increase reflected the need to incorporate a number of initiatives such as HIV/AIDS, drug abuse control crop substitution, and reinforcement of the private sector development initiative.

10. Mr. KOIKE (Japan), referring to some of the SPR activities to which his delegation attached particular importance, said that his delegation supported the steady efforts regarding disaster mitigation, the importance of which was demonstrated all too frequently by the tragic consequences of natural and other disasters in developing countries. It also welcomed the continued improvement in the quality of human development reports. It was of the view that an in-depth study should be conducted to develop more concrete policy orientations at the regional and country levels.

11. Another important SPR activity was the strengthening of national capacity in the six focus areas designated in decision 90/34, paragraph 7. His delegation hoped that environmental management could help to incorporate environmental concerns into national programmes and projects. UNDP could play a unique role in incorporating new initiatives into national programmes. The Special Plan for Economic Assistance to Central America (PEC) was of great importance, and should receive an appropriate share of SPR.

(Mr. Koike, Japan)

12. Ensuring project efficiency was a major concern of both donor and recipient countries. Further expansion of national execution would make evaluation increasingly important, confirming the value of allocating adequate funds for that purpose.

13. In order to determine the allocation of limited resources among various proposed activities, his delegation would welcome more specific information concerning how resources had been utilized in the fourth cycle, and about planned fifth cycle programmes under each item. In the fifth cycle, the amount allocated to SPR would increase to 7 per cent of programmable resources, giving even greater responsibility to the Administrator and Governing Council for ensuring efficiency. His delegation requested that reports on SPR be presented annually for review by the Governing Council and the Standing Committee for Programme Matters.

14. Mr. KELLAND (Denmark), speaking on behalf of the Nordic countries, said that more information was needed on the intended uses of the outlays under the SPR headings, and why specific allocations came under the headings proposed rather than under others. The main purpose of SPR allocations was to have a catalytic effect on special priorities. SPR allocations must be closely linked with country programmes.

15. His main areas of concern were making a distinction between themes enumerated in decision 90/34, paragraph 7, and other thematic activities, the priority to be accorded to those themes, the priority of other thematic activities, and the risk of spreading UNDP resources too thin and not concentrating on areas of comparative advantage. While the proposals in DP/1991/5 focused on the six themes from decision 90/34, the heading "thematic activities" included allocations to other themes. A clear distinction should be made between themes specifically enumerated in decision 90/34 and other themes.

16. Significant allocations should be made for poverty alleviation, environmental management development, TCDC, and women in development. The allocation for the Management Development Programme, however, was too modest. Although it should be primarily financed from IPFs, the programme had proved its usefulness and was an area where UNDP had a comparative advantage. Moreover, such assistance was crucial for ensuring progress towards increased use of national execution. Furthermore, transfer and adaptation of technology for development should be given a specific allocation rather than being grouped with other themes.

17. The Nordic countries wished to propose a more logical rearrangement of programmes that would include, in the category "thematic activities", only the themes dealt with in decision 90/34, paragraph 7. All the other thematic activities currently listed in paragraph 5 of document DP/1991/5 would be transferred to a separate category entitled "other special activities", which would also include the remaining items currently under "new initiatives/innovative approaches". The subcategory "field coordination activities" would be deleted. Within the new heading "other special activities", there should be three subcategories, one for the Human Development Report, a major innovation; one for

(Mr. Kelland, Denmark)

PEC; and one for all the rest. It seemed appropriate to give the same special treatment to PEC as to the Management Development Programme, and also to allocate the same amounts, as during the fourth cycle. All the areas grouped together in the third subcategory were of some importance, but there was a question as to whether they would not be more appropriately dealt with under the country programming process and/or in the regional, interregional and global programmes rather than by UNDP. Private sector development, specifically, would fall more naturally under MDP. The Nordic countries would not oppose a small allocation for the new third subcategory, but SPR should be directed primarily towards special priorities.

18. The Nordic countries welcomed the proposed increases in allocations for disaster mitigation and for national technical cooperation assessment and programmes (NaTCAPs). NaTCAPs could have a considerable bearing on making technical assistance more rational and on giving recipient Governments and donors a clearer picture of technical assistance needs. Also, it was crucial for UNDP to be able to use its field network in disaster situations to provide initial assistance to Governments and pave the way for efforts by emergency organizations proper, while also providing assistance in the grey areas between emergency assistance and development assistance. Closer co-operation, for instance, was needed between UNDP and UNHCR in the area of refugee assistance, and the Governing Council should be kept informed of such division of labour. As to the sharply increased allocation for disaster mitigation, the question of the size and character of UNDP activities in that field should be kept open. The General Assembly was scheduled to discuss the future role of the United Nations in disaster relief operations at its coming session and could then provide further guidance on the matter. One solution might be to cut the allocation and increase the contingency reserve correspondingly, on the understanding that the amount transferred was to be used for disaster purposes, if needed.

19. The proposed rearrangements and downgradings would not, of course, release enough funds to cover the increased allocations for MDP, technology transfer and PEC, and some modest savings would thus be required in other areas, probably those which had received the steepest increases as compared with the fourth cycle. It would be advisable to have the Administrator's view on where cuts might be made, and also to have a clearer picture of what a number of the allocations, especially under "other special activities", were actually meant to finance.

20. Mrs. SHAFER-PREUSS (Germany) observed that, unfortunately, neither document DP/1991/5 nor the related conference room paper provided the information needed for decisions on SPR priorities. No information had been given on current spending, on an assessment of the success or failure of fourth-cycle SPR activities, on fourth-cycle needs or future needs, on changes in priorities, or on funding from global and interregional programmes as against SPR funding.

21. Her delegation therefore proposed that the Council should go immediately into informal consultations that would deal with concrete figures and precise assessments.

22. The PRESIDENT said that the Council would go into informal consultations as soon as possible, after the remaining substantive statements had been heard.

23. Mr. JASINSKI (Poland) said that his delegation concurred in general with the reasoning behind the proposed SPR allocations. It agreed that programme development should be emphasized, that SPR allocations to countries and regions should be based on quality criteria and ensure universal access to SPR funding. SPR should be used to advance the policies outlined in decision 90/34. Noting that the enumeration of activities under the various categories in document DP/1991/5 was not exhaustive, his delegation agreed that a certain flexibility should be left to the Administration within the broad policy mandate of decision 90/34. It felt sure that SPR would be used also to support projects, under the appropriate headings, to facilitate changes in those countries whose economies were in transition, to which specific reference had been made in decision 90/34.

24. Mr. RADZI (Malaysia) observed that document DP/1991/5 contained no magic formula but did offer a helpful basis for the Council's work. The Administrator was to be commended for having consulted various resident representatives as part of a promising approach that sought to involve recipient Governments in decisions affecting their future development.

25. With regard to the earmarkings proposed in that document, his delegation did not object to the shifts in the order of presentation of SPR activities from those outlined in the annex to decision 90/34, provided that the shifts did not reflect any order of priority. A specific indication should be given of the amounts to be allocated to each SPR activity, thus serving to guide developing countries in their own allocation of resources to such activities. Malaysia noted with concern that the proposed allocation for the programme on assistance to the Palestinian people had not been increased in the fifth cycle, unlike most others, despite the obvious need of the Palestinians for greater resources under their increasingly difficult conditions, and hoped that the Council would rectify that situation. It also hoped that SPR increases would attract more bilateral donors.

26. Mr. RADE (Netherlands), expressing dissatisfaction with document DP/1991/5, said that not enough background had been given on why decisions had been made to distribute the resources as indicated. The conference room paper issued purportedly to give the required information gave useful indications of how SPR would be managed but little information on their purpose and focus or the kind of programmes to be financed. In his statement earlier, the Assistant Administrator had explained what figures had been changed since June, but not why the figures had been chosen in the first place.

27. The Netherlands would like to see more funds allocated for the alleviation of poverty, one of the crucial areas, and disagreed with the reasoning that had shifted funds from that category to others covering some poor people. It was not convinced that funds for disaster mitigation, an area where many other organizations were also involved, should have been increased so substantially. It would like more information on UNDP-UNHCR cooperation on assistance to refugees and displaced persons to be sure that the activities in that area were well

(Mr. Rade, Netherlands)

coordinated. Lastly, it considered MDP to be an efficient programme and would like to see its SPR increased.

28. Management of SPR was essential. There should be a close linkage between SPR allocations and country IPFs and SPR should be used as seed money.

29. Document DP/1991/5 indicated that access to SPR would be universal, which would mean that the funds would be allocated on first-come, first-served basis and thus that those countries best equipped to present good proposals would acquire the major share. While the Netherlands opposed a precise geographical distribution of SPR, it might be useful for the Council to give a broad political signal that the main focus in SPR allocation should be on the poorest countries; with a further assessment in two years' time of how, precisely, the funds had been used.

30. At the present moment, the Council did not have enough information to make any clear-cut decision on SPR allocations.

31. Mr. BORBON (Observer for Costa Rica), speaking on behalf of the Group of Latin American and Caribbean States, said that SPR were of particular interest to the region, which had been most severely affected by funding cuts, both regionally and by country, despite the fact that it was going through one of the most acute economic and social crises in its history, further complicated by the effects of the Gulf War. The kinds of interests that had had to be reconciled during the very delicate negotiations at the Council's thirty-seventh session were reflected in the annex to decision 90/34. The allocation of resources proposed in document DP/1991/5 did not, in the view of his Group, take into account the agreements and understandings reached during those earlier negotiations on the fifth cycle. SPR should be used to complement regional and national programmes which, because of their urgency or particular international interest, required UNDP support and it should be distributed at levels that allowed programmes to function efficiently. SPR for disaster mitigation should not be reduced beyond a point that allowed a manoeuvring margin, because of the unpredictability involved. TCDC, the most effective mechanism for promoting South-South cooperation, should be a major UNDP priority, as it was in decision 90/34. UNDP should also adequately support programmes on the transfer and adaptation of technology for development. Programmes which supported project preparation were equally important, as were programmes for the alleviation of poverty, the protection of the environment, drug abuse control and crop cultivation, to all of which UNDP must allocate adequate resources. MDP had proved successful and was a programme from which all countries could benefit. PEC should also be given priority, and should receive the same level of funding as in the previous cycle, so that the region could continue the efforts begun, pursuant to the Esquipulas accords, to establish a firm and durable peace and a process of democratization. If the Council did not approve the requested allocation, as stipulated in General Assembly resolution 45/231, the work done thus far would remain incomplete and it would be difficult to advance the economic and social development of the region. PEC should be treated as a separate item in the distribution of SPR, as indicated in the annex to decision 90/34.

(Mr. Borbon, Observer, Costa Rica)

32. The Group of Latin American and Caribbean States had been very flexible in the negotiations on the fifth programming cycle. The themes listed as SPR priorities were the minimum acceptable if UNDP was to have a positive impact on development.

33. Mr. Okeyo (Kenya) took the Chair.

34. Mrs. AMARASEKARA (Sri Lanka) said that SPR earmarked for poverty alleviation should be increased instead of being reduced by 50 per cent. Poverty alleviation was the ultimate objective of all other activities and was crucial to the success of efforts in such areas as environmental management development. Direct intervention was essential, but Governments needed technical support in order to be able to intervene directly to alleviate poverty. Although measures such as the Management Development Programme and NaTCAPs helped improve management capabilities, the Administrator should look for innovative and less expensive ways of strengthening national capacities. Allocations for transfer of technology and disaster management should be increased and a clear distinction should be made between the six thematic activities spelt out in paragraph 7 of decision 90/34 and other themes. Information was needed regarding the use of resources in SPR-funded projects as a means of evaluating SPR programmes.

35. Mr. BARAC (Romania) said that his delegation had supported the decision to raise the level of SPR to 7 per cent of programmable resources in the fifth cycle. It endorsed the strategy proposed by the Administrator in document DP/1991/5 for the SPR allocations, including such key elements as basing allocations to individual countries on quality criteria, ensuring universal access to SPR, and using SPR in closer conjunction with intercountry and global programmes as well as country programmes.

36. Like other Eastern European countries, Romania was confronted with very specific problems in the transition from a planned economy to a market economy. It had embarked upon a comprehensive programme of economic reforms, involving the privatization of State enterprises, the establishment of small-scale and medium-scale enterprises, the reform of the banking and financial systems and the liberalization of prices, among others. Its need for trained managers of market-economy enterprises was tremendous. A UNDP/MDP exploratory mission to Romania the previous September had made very useful recommendations for organizing the training activities of the newly established Romanian Institute for Management and had also proposed the allocation of additional SPR resources under MDP for the reform of the economic management system. Romania hoped that those proposals would be given positive consideration.

37. Romania was experiencing special economic hardship as a result of its full compliance with Security Council resolution 661 (1990), and it should be noted that the relevant Security Council Committee had invited the United Nations agencies concerned to provide immediate assistance to Romania in that respect.

38. Mr. PAULINICH (Observer for Peru) said that priority topics for Peru were PEC, technical co-operation among developing countries, poverty eradication, MDP and drug abuse control/crop substitution. His delegation was concerned to note that the last of those themes was included in the category "new initiatives/innovative approaches" without any specific earmarking of resources. During the special session decisions would have to be taken on the allocation of SPR; in order to comply with the spirit and the letter of decision 90/34 each theme should be allocated specific resources.

39. Mr. MARTINEZ SALAZAR (Spain) said that SPR for the fifth programming cycle were important in strengthening and supplementing activities in areas funded by IPFs, which, in the case of one region, had been substantially reduced. The proposed earmarkings for "disaster mitigation" were acceptable. Under the category "thematic activities" the increased earmarking for the Human Development Report did not appear to be justified given that the first Report had cost $1.6 million, including starting costs, and therefore the original figure of $5 million should be sufficient, but the increased earmarking for the Management Development Programme was justified. There was no explanation as to why PEC and UNPAAERD were included with other unspecified activities under the same heading, making it difficult to assess the specific merits of each proposal; it was essential that the two budget items should be separated as they had been previously. The resources proposed were totally inadequate: PEC alone required $20 million. The General Assembly had called for PEC to be provided with appropriate resources; PEC was essential to reinforce peace and democracy in the area. Spain supported the new initiatives relating to drug abuse control/crop substitution and regretted that the theme had not been mentioned in the Administrator's report.

40. Mr. BABINGTON (Australia) said that he was pleased to note that UNDP had attempted to use the framework of six priority areas which had been identified in decision 90/34 and he encouraged UNDP to continue focusing support on those areas. It was difficult to predict levels of expenditure and the need for flexibility was accepted; however, the allocation of funds should be done in as precise and forward-thinking a manner as possible. It was surprising that the proposal to allocate 10 per cent of total fifth-cycle SPR to the category "new initiatives" had been made with little supporting detail provided and no disaggregation for individual items. No indicative amount had been suggested, for example in respect of acquired immunodeficiency syndrome (AIDS), an important issue which deserved specific and substantial earmarking. The Australian delegation was also concerned at the relatively small allocation proposed for poverty alleviation. Funding levels for MDP should be maintained. Australia supported the proposed allocation for aid coordination activities. The proposed allocation of resources for disaster management was acceptable, provided that there was no duplication of the work of the Office of the United Nations Disaster Relief Coordinator; an increased allocation for emergency relief would also have been welcome. The Council was being hindered in making important decisions by a lack of information as to how SPR would be programmed, allocated, reviewed and approved.

41. Mr. BORJA DE MOZOTA (France) said that the amount of SPR should be related to the real value of UNDP total resources and consequently the figures discussed should be percentages rather than fixed sums. The Administrator's figures were based on an assumption that global resources would grow by 8 per cent, which seemed excessively optimistic. The allocation of 7 per cent of total resources to SPR was, however, appropriate. Approval of the sums earmarked should not be taken to imply that their disbursement should be left to the discretion of the Administrator; the Council should decide as to the general use to which such resources should be put. General UNDP policy guidelines should continue to apply: special programmes should not be used as a means of providing social assistance, which was not the function of UNDP. His delegation opposed the use of SPR to support poverty alleviation, drug abuse control and certain programmes relating to disaster relief and any earmarking of resources for such uses. A clearer distinction needed to be made between regional programmes and special programmes. Although France was in favour of maintaining support for PEC now that its implementation was already under way, other regional programmes would more appropriately be funded by fifth cycle indicative planning figures. Although the Human Development Report was an important activity, and a particularly suitable one for UNDP, the allocation of $8 million appeared excessive; likewise the proposed allocation of $10 million for "women in development" was unacceptable given the existence of a specific special fund, UNIFEM. The resources earmarked for the "new initiatives" category, which included several themes moved from the "thematic activities" category because they fell outside the specific area of responsibility of UNDP, should be reduced by half. The Management Development Programme should, however, be reinforced.

42. Mrs. KEPPENS (Belgium) stressed the importance of SPR as an instrument for stimulating new ideas and approaches and integrating them with national, regional and interregional programmes. Certain categories of programme, such as those relating to refugees, the environment, poverty alleviation and drug abuse control, were of particular importance to Belgium. NaTCAPs were also important but it would have been easier to express an opinion as to the amount to be earmarked for that category of activities if the promised evaluation had been available. The allocation to the Management Development Programme should be increased and an allocation of $20 million to PEC would be supported.

43. The absence of detailed information regarding the use of SPR was regrettable; more information should have been made available concerning the use of SPR in the fourth cycle and the criteria and reasoning on which the Administrator had based his proposals for the fifth cycle. The Governing Council could not reach a proper decision as to the distribution and allocation of SPR without the necessary information; the Administrator should in future be required to present a programme document for each category of SPR and provide delegations with regular information regarding the utilization of the budget. The Administrator's reasons for seeking the immediate release of $10 million of fifth cycle SPR funds were understandable but such a course of action would not be in accordance with sound accounting or administrative practice.

44. Mr. KABIR (Observer for Bangladesh) said that the increase in SPR allocations in the fifth programming cycle would help countries maintain and increase their efforts in traditional areas as well as in new initiatives and would particularly assist the poorest countries. With regard to the changes in proposed SPR earmarkings, it was disappointing to note that although the allocation for the category of "disaster mitigation" had been maintained, the allocation for "reconstruction and rehabilitation" had been reduced; it should be restored to its original level. The allocation for poverty alleviation had been reduced by half in spite of the linkage to environment and development and the allocation to "women in development" was not an adequate substitute. Adequate attention had been given to environmental management development, but there was perhaps a need for further attention to be given to technical co-operation among developing countries. Allocations to various items under the heading of "new initiatives/innovative approaches" needed to be spelt out in order to increase transparency.

45. Mr. GUERRERO (Philippines) said that the increase in funds for disaster mitigation was deeply gratifying in view of recent distressing events including the recent earthquake in the Philippines and the Gulf conflict. He hoped that some of the resources allocated under the heading "reconstruction and rehabilitation" might be applied to the rehabilitation of the thousands of people who had lost their livelihoods as a result of those events. The preparation, publication and dissemination of the Human Development Report was appreciated; however, in view of possible confusion between the general concept of human development and the more specific concept of human resources development as an economic tool for the implementation of priority development programmes, it would be useful to include a more precise and in-depth study of human resources development in the Report. Poverty alleviation was a matter of the highest priority and although other areas in need of funding contributed to the alleviation of poverty, more resources needed to be allocated to measures aimed directly at its eradication. The allocation of funds to the important area of environmental management development was welcome and the relationship between country programming initiatives, NaTCAPs and the Management Development Programme was important in developing the capacity for self-help. The willingness and enthusiasm of developing countries to help one another would be encouraged by the increase in resources allocated to technical co-operation among developing countries. The proposal to use SPR to fund PEC for an additional period of three years was very welcome.

46. Mr. Piriz-Ballón (Uruguay) resumed the Chair.

47. Mr. MAYORGA CORTES (Nicaragua) commended the report of the Administrator (DP/1991/5) on its interpretation of the decisions taken at the thirty-seventh session of the Governing Council, particularly with respect to the six focus areas, which accurately reflected the needs of Nicaragua and most developing countries. His delegation agreed that transparency was required in the management of SPR and recognized the importance of their catalytic and innovative nature. It also agreed that SPR should bolster efforts by recipient countries to carry out their national projects and programmes.

(Mr. Mayorga Cortes, Nicaragua)

48. Governing Council decision 90/34 and the annex thereto formed the basis for the allocation of resources in the fifth programming cycle. His delegation therefore disagreed with the Administrator's decision to include the Special Plan of Economic Cooperation for Central America "field coordination activities". Nicaragua thus appreciated the proposal by Denmark and the Nordic countries to accord priority to PEC under the "thematic activities" category and allocate to it the amount which had been allocated in the fourth programming cycle. It should be stressed that the Central American countries in no way wished to compete with their African brothers in seeking Special Programme Resources from UNDP.

49. The Central American request was fully justified on a number of political and technical grounds, the first being that PEC was functioning well in what had been one of the most volatile regions in the world only a short time earlier. The request was also justified by General Assembly resolution 45/231, particularly paragraphs 2, 9 and 10.

50. The fundamental these underlying the Special Plan were pacification, democratization and the integration and social and economic development of the five Latin American countries. Full political support for the Special Plan had been expressed in the decisions adopted by the three summit meetings of Central American countreis held in 1990 in Montelimar, Nicaragua; Antigua, Guatemala; and Puntarenas, Costa Rica. The first summit meeting had hailed the Special Plan as a valuable instrument in supporting pacification and the democratization process in the region. At the second summit meeting, the principles of Esquipulas I and II had been reaffirmed, together with the concept that there could be no peace without economic development. A decision had been taken to give impetus to a Central American development strategy through the Special Plan. Lastly, in Puntarenas, the Central American Presidents had referred to the adoption of General Assembly resolution 45/231 and had urged the Governing Council to approve the $20 million requested by the region. Thus far, $12.8 million in Special Programme Resources had been allocated to projects under the Special Plan. Projects for the balance of $7.2 million were to be approved in 1991, which marked the end of the first phase of the Special Plan. Projects costing $22 million had been identified for the fifth programming cycle, exceeding the request.

51. As a result of the Special Plan, a regional consensus on development had been built up in Central America and forums for consultation at the subregional level had gradually been developed. In only three years, the Special Plan had provided broad support to the preparation of technical cooperation and pre-investment projects in Central America. More than 50 technical cooperation projects had been prepared, 36 of which were in progress, and still other projects were being contemplated.

52. At the first meeting of cooperating countries in the Special Plan, held in July 1989, emphasis had been placed on achieving substantive progress in pacification and democratization; adopting and initiating effective economic stabilization and structural adjustment processes; and establishing clear and more rigorous economic and social development priorities. The Central American countries had made enormous strides in every respect.

(Mr. Mayorga Cortes, Nicaragua)

53. Among the significant examples of those achievements were the resolution of the Nicaraguan conflict and the promising negotiations undertaken in El Salvador and Guatemala for a negotiated political solution to the Salvadoran conflict. Of particular importance was the political progress which had culminated in the existence of five Central American Governments rooted in democracy and elected by their own peoples.

54. Mr. KOSTOV (Bulgaria) said that, in general, his delegation supported the priorities outlined in document DP/1991/5, a number of which were particularly significant for Bulgaria during the transition to a market economy. In that connection, SPR could play an important role in national capacity-building. His delegation attached great importance to MDP and hoped that it would be expanded during the new cycle. The reduction in the resources for that programme was regrettable.

55. The questions of ecology and development were becoming ever more significant. In that connection, his delegation welcomed SPR financing for global environmental initiatives, the incorporation of environmental concerns in national programmes and project development, and the effective utilization of available resources for environmental activities. His delegation also supported using the funds for the new and innovative approaches described in paragraph 37.

56. Referring to the comments concerning the development of national capacities made by the Administrator, he said that concrete steps were necessary in order to implement the decisions of the Security Council on providing temporary assistance to countries affected by the Persian Gulf crisis within the overall UNDP strategy.

57. Mr. HADID (Algeria) said that the increase in SPR for the fifth programming cycle attested to the value of SPR programmes. "Traditional" SPR activities, particularly disaster mitigation, enjoyed his delegation's full support. Those "traditional" activities should also include measures to control locusts and Mediterranean fruit flies and to wipe out the screw-worm fly.

58. Technical cooperation among developing countries should also be stepped up with the dual objective of generating TCDC flows and promoting TCDC as a means of carrying out certain projects. Some allocation, however modest, should be made to support regional and subregional integration among developing countries.

59. His delegation wished to stress its support for the programme of assistance to the Palestinian people. As the Malaysian representative had pointed out, it was regrettable that the allocations proposed were lower in real terms than those of the fourth cycle.

60. As a country whose IPF had continued to erode with each new cycle, Algeria attached particular importance to the potential role of SPR to act as a catalyst in elaborating programmes and as a means of introducing new thematic activities. New thematic activities were meant to supplement decision 89/20 on the role of UNDP in

(Mr. Hadid, Algeria)

the 1990s and General Assembly resolution 44/211 on the comprehensive triennial policy review of operational activities for development of the United Nations system. Linkage with country programmes would enhance the effectiveness of SPR activities. His delegation therefore supported the proposal, contained in paragraph 8 of document DP/1991/5, for the initiation of support activities to country programmes in 1991.

61. In conclusion, his delegation would appreciate clarification concerning the use of SPR to provide support to UNPAAERD and to future initiatives by the United Nations when the Programme expired.

62. Mr. FONDI (Italy) said that his delegation would have appreciated more detailed information in document DP/1991/5 on the reasons for the SPR amounts proposed. The priority areas outlined in paragraph 7 of decision 90/34 should be separated from other activities in order to highlight their importance. In view of the results achieved in the Management Development Programme, the level of allocations to that programme should be maintained, not reduced.

63. His delegation was strongly in favour of maintaining a separate line for the Special Plan of Economic Cooperation for Central America and heartily recommended renewing the fourth cycle allocation of $US 20 million in the fifth programming cycle. The co-ordinating role of UNDP in the special plan should be exercised fully, particularly in the light of UNDP's responsibilities with respect to the programme for refugees and displaced persons in Central America.

64. His delegation urged UNDP to carry out a systematic review of programming and needs assessment tools and procedures in order to avoid duplication and save resources. In the past, his delegation had repeatedly urged coordination of NaTCAPs and round-table exercises, for there was apparently significant overlapping between the two. His delegation had a deep interest in the line concerning drug abuse control/crop substitution within the framework of the United Nations International Drug Control Programme.

65. Mr. MISSARY (Observer for Yemen), referring to the General Assembly resolutions on flooding in Yemen and the need to provide support to the economic and social infrastructure of the newly unified Yemen, said that more resources should be allocated to natural disaster assistance, particularly reconstruction and rehabilitation. That would help the developing countries, in particular, the least developed countries, to counter the adverse economic effects of natural disasters.

66. Yemen was host to more than 800,000 refugees as a result of the Persian Gulf crisis and hoped that those special circumstances would be taken into account. His delegation also wished to stress the importance of poverty alleviation, environmental management development and the role of women in development. It joined the Algerian and Malaysian representatives in appealing for greater assistance to the Palestinian people.

67. In conclusion, his delegation hoped that the round table to be held in Yemen in 1991 in coordination with UNDP would explore the real needs of Yemen as a result of the floods it had suffered and its recent unification.

68. Mrs. DUDIK-GAYOSO (United States of America) noted with satisfaction that SPR had become an established mechanism within UNDP rather than being programmed on an ad hoc basis. The programming of those resources should be subject to the same standards of quality as IPF-funded programmes, and programme documents for each category and subcategory should be submitted to the Council for approval.

69. Before taking a decision on SPR, the Council should address the question of SPR categories. Her delegation welcomed the focus on the specific categories set forth in the annex to decision 90/34. In fact, those focus areas should be emphasized and others, streamlined. Her delegation would also appreciate information on new initiatives funded from global and interregional projects, on those items which were financed by SPR rather than GIP and on the relationship between the two. Some categories seemed to cover administrative costs, i.e., the allocation for the Special Plan of Economic Cooperation for Central America should be included in the administrative budget.

70. Referring to paragraph 18 of document DP/1991/5, she noted that the Programme's 1992-1993 proposed budget for programme support activity (PSA) and administrative services had not been circulated. Governing Council members should have some idea of the amount which staff costs would represent in the budget and whether those funds would be shown as a separate line item.

71. Her delegation would also appreciate clarification as to which types of research were funded from SPR and which from the Global and Interregional Programme. Moreover, the broad criteria for programme research (such as national capacity-building, human development, etc.) were not helpful in defining research priorities. The specific role of UNDP-funded research should be considered. While the links between SPR and the global and interregional projects were commendable, they should be made explicit, perhaps in an oral presentation during the current session or in a more formal report at a later stage. That would avoid uncertainties when GIP projects were approved for the fifth programming cycle.

72. Referring to disaster relief activities mentioned by other delegations, she said that UNDP's role was limited to its own mandate to fund technical assistance in the United Nations system. Her delegation looked forward to the results of the study on displaced persons called for by the Economic and Social Council, which should help to define UNDP's role with respect to displaced persons and returnees. UNDP's activities relating to drug abuse control and crop substitution should be consistent with the particular role envisaged for UNDP in the recently adopted United Nations International Drug Control Programme.

73. Unfortunately, the information on SPR allocation levels, using the fourth cycle as a basis, was insufficient. UNDP should provide, without delay, a three- or four-column table showing amounts allocated to each category or subcategory in the fourth cycle; amounts actually committed or expended; and amounts proposed for the fifth cycle. As the German representative had suggested, the decision-making process would also be facilitated if some explanation were given on past practice. A decision on SPR allocations should include an annual report of planned versus actual SPR commitment/expenditure.

(Mrs. Dudik-Gayoso, United States)

74. There should be a programming document for each SPR category or subcategory covering several years or even the full cycle, and providing for a mid-term review. The programming document should include a general description of the SPR category and its purpose; information on specific objectives of SPR activities and strategies for achieving those objectives; guidelines on activities to be financed, the eligibility of countries, limitations (i.e., regional restrictions), the use of expertise from the United Nations system, and complementary use of IPFs. Information should also be provided on specific criteria for approving SPR for individual activities; procedures for the design, approval and implementation of individual activities and funding requirements for both the fifth cycle and the following two years.

75. Some of those elements had already been provided but more specific information was needed. Clarification was also required concerning the internal management structure. Programme documents should be approved by the Governing Council, after which there should be no need for the Council to approve SPR projects as such.

76. UNDP should commit and disburse funds for SPR activities only after the Council approved a programming document for the category in question. It would be useful if the Secretariat could submit a timetable for the preparation of those programming documents to the June 1991 session of the Governing Council. Without knowing the actual usage of fourth-cycle SPR, her delegation would be unable to consent to an advance in the allocation and expenditure of fifth-cycle SPR.

77. In conclusion, her delegation welcomed the Secretariat's intention to conduct more frequent evaluations of SPR activities and to submit annual reports on progress and results.

The meeting rose at 1.15 p.m.